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(1) LDP, DPJ find themselves on horns of dilemma over regional bloc system

ASAHI (Page 4) (Abridged slightly)
July 31, 2009

Naoyuki Hayashi

With the aim of winning Osaka Gov. Toru Hashimoto and other governors over to its side, the Liberal Democratic Party (LDP) will include a pledge to create regional blocs in its manifesto (campaign pledges) for the upcoming House of Representatives election. However, a regional bloc system could be a double-edged sword for the LDP. The National Governors' Association is divided into pros and cons about creating regional blocs. A group of governors who are cautious about the idea yesterday endeavored to recover from the setback. The Democratic Party of Japan (DPJ), which dominates opinion polls, forwent stipulating it in its manifesto, sitting on the fence.

Hyogo Gov. Toshizo Ido and Fukushima Gov. Issei Nishikawa met on July 30 with LDP Election Strategy Council Deputy Chairman Yoshihide Suga at the LDP's headquarters. The two governors called on Suga for cautious debate on the regional bloc system. They then handed to Suga request letters from the governors of Yamagata, Fukushima, Ishikawa, Mie, Shiga and Nara prefectures who are reluctant to introduce such a system. Suga reportedly did not give them a clear answer. Nishikawa stressed to reporters that, "Many in the

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association are negative about creating regional blocs.

There are big differences in views on the issue of governors. Osaka Gov. Hashimoto and Miyazaki Gov. Hideo Higashikokubaru are leading advocates of creating regional blocs. Hashimoto and 12 governors on July 16 asked the LDP, DPJ, and New Komeito to introduce the regional bloc system. At a meeting on July 14-15 of the National Governors' Association, Kanagawa Gov. Shigefumi Matsuzawa proposed that a regional system basic law be established so that reform of the central government offices and decentralization would be able to do the same time. However, objections were raised, with one governor saying: "Gaps will widen between regional blocs."

The reason for the LDP having decided to stipulate in its manifesto that a regional system basic law will be introduced by 2017 is its desire to win Hashimoto and other governors over to its side. The fact that the DPJ did not mention it in its manifesto urged the LDP to create regional blocs.

However, the LDP's draft manifesto does not refer to such key contents as the demarcation of regional blocs and a distinction between the role of the central and regional governments. Small prefectures are concerned that they would be included in large prefectures.

The LDP gave priority to the view of popular governors rather than the voices of financially weak prefectures.

Meanwhile, the DPJ has contended that the nation should be divided into 300 "basic local autonomous bodies," as former President Ichiro Ozawa has rejected the regional bloc system. President Yukio Hatoyama then shifted the party's policy. So, the DPJ did not mention this idea in its manifesto, but its policy index issued last month wrote that the policy would be looked into in the future.

The reason for the DPJ having wavered in its response was because a consensus has not been made in the party and the governors' association. It is not that the DPJ is opposed to creating regional blocs. Ido and Nishikawa, governors cautious about the regional bloc system, met on July 30 with DPJ Policy Research Committee Chairman Masayuki Naoshima to call for the party's prudent response. Naoshima, however, just said: "The DPJ will not take an approach that has the central government going against local governments."

(2) Supplementary budget funding source for child allowance, abolition of provisional tax rates in DPJ manifesto

MAINICHI (Top Play) (Full)
July 31, 2009

The Democratic Party of Japan (DPJ) on July 30 decided on a policy for funding its original policies included in the manifesto compiled for the Lower House election by suspending the implementation of unexecuted portions in the fiscal 2009 extra budget totaling 14 trillion yen. The manifesto pledges that the party will implement original policies costing 7.1 trillion yen, including the payouts of 50 PERCENT of child allowance (13,000 yen a month) and the abolition of provisional tax rates, in the fiscal 2010 budget - the first fiscal year after it takes over the reins of government. The DPJ is already working with the Finance Ministry to identify the unexecuted budgetary items that can be suspended. It estimates that of the 7.1 trillion yen, several trillion yen can be covered by the

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suspension of the implementation of unexecuted budgetary items.

Most items subject to the suspension are newly established ones, including 4.4 trillion yen accumulated for 46 funds, 3 trillion yen appropriated to entities that accept retired bureaucrats, such as independent administrative agencies, and 2.9 trillion yen for the maintenance of various government agencies' facilities. Senior officials of the Finance Ministry Policy Research Council are now proceeding with efforts to identify unexecuted budgetary funds in the fiscal 2009 extra budgets, by making inquiries about the implementation situation of the extra budget at such government agencies as the Finance Ministry; the Ministry of Health, Labor and Welfare; and the Ministry of Agriculture, Forestry and Fisheries.

Should the DPJ seize power, it will submit a downsized extra budget to the special Diet session to be convened in the fall, and once the unexecuted items are identified, use those funds to finance the DPJ-proposed policies. A project to build a national media art center at a cost of 11.7 billion yen, about which President Hatoyama made a sarcastic remark saying that it is a giant state-run anime caf, will also become subject to the downward revision.

The original policies included in the manifesto to be implemented in 10 years' time include child allowance, measures to deal with the unidentified pension accounts issue, in-stage implementation of efforts to deal with a shortage of doctors, abolition of the provisional tax rates, partial implementation of making highways toll-free, and employment measures.

The reason to tap the extra budget compiled by the present administration as a fiscal source is that the budget has to be compiled in an unprecedentedly short period time - about three months after the Lower House election.

The manifesto cites that a total of 16.8 trillion yen can be secured as of fiscal 2013 - 9.1 trillion yen by cutting wasteful spending, 5 trillion yen through the use of so-called hidden funds (maizokin), and 2.7 trillion yen through a revision to the special tax measures. However, it does not mention the breakdown for each fiscal year.

(3) LDP, DPJ engaging in "service battle" for general election, listing pork-barrel pledges in manifestos

ASAHI (Page 2) (Slightly abridged)
July 30, 2009

The campaign for the upcoming House of Representatives election, in which the next prime minister will be elected, is becoming like a fight over pork-barrel pledges between the Liberal Democratic Party (LDP) and the Democratic Party of Japan (DPJ). That is because the LDP is gradually being drawn into the ring of the DPJ, which arranged a manifesto-based election and is taking the lead. The two parties are fighting fiercely particularly over assistance measures for families with small children in a bid to win their support. Even so, there is a fundamental difference in their approaches.

Both sides criticize the other side's policy platforms as "pork-barrel"

The LDP manifesto introduces its title, "the ability to take responsibility for protecting the nation," and a photograph of smiling Aso on its back cover.

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The LDP in its manifesto criticizes the DPJ's policies as "irresponsible" and emphasizes its ability to take responsibility. To prove this, the party says that it has not dodged the unpopular challenge of raising the consumption tax. But a consumption tax hike, initially proposed by Aso as a key measure in his election strategy, was pushed back to the latter part of the report.

The DPJ manifesto includes such eye-catching measures as providing monthly child care allowance of 26,000 yen for each child of middle school age or younger and eliminating public high school tuition fees. These two measures will require 6 trillion yen in revenue sources annually, an amount equivalent to one-third of the total cost estimated in its roadmap for the listed key policy pledges.

Election Strategy Committee Vice President Yoshihide Suga, who chairs the LDP project team to lay out its manifesto, critically said: "It remains unclear where the necessary fiscal resources come from. That is a pork-barrel manifesto and is not worth as a manifesto."

He could not overlook the DPJ's offensive. Suga indicated on July 28 that the LDP will counter the DPJ with child-rearing and education support measures, remarking: "We will introduce free education for preschool children. If their parents are suddenly fired, they will have trouble paying education fees, so we will create a school expense-subsidy fund."

In order to make its pledge on free education for preschool children aged between three and five more impressive, the LDP decided to shorten the targeted timeframe for introducing the measure from "in four years" to "in three years." When Prime Minister officially announce the party's policy platform (manifesto) in a press conference tomorrow, he will also announce a measure to set up a subsidy-type scholarship for excellent students from low-income households.

New Komeito Policy Research Council Chairman Atsuo Yamaguchi rejoiced exuberantly when LDP Policy Research Council Chairman Kosuke Hori told him in their meeting at a hotel near the Diet Building that the LDP includes such measures as free education for preschool children in its manifesto. Relations between the LDP and the New Komeito were somewhat strained over the New Komeito-proposed cash handout scheme over the past year, but the two ruling parties have finally gotten along well with each other in the lead-up to the general election.

For the LDP's child-rearing and education support measures, 700 to 800 billion yen will be needed. This figure is smaller than the 6 trillion yen estimated in the DPJ roadmap. Secretary General Hiroyuki Hosoda said: "As a responsible political party, the LDP will carefully examine measures that should be included in the manifesto." He probably meant that this amount is the maximum in order to keep "generous spending" and "responsibility" in balance.

Even so, since the LDP has been the ruling party for so many years, the party has naturally been tied down by various cozy ties and demands. The party intends to maintain the current level of state subsidies for private schools, for which the LDP education policy clique remains influential. Given this, the LDP cannot unilaterally criticize the DPJ's fiscal-source question.

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Aso intended to underscore his ability to take responsibility by presenting a roadmap for a consumption tax hike. Meanwhile, the DPJ

has pledged that the party would not raise the consumption tax in the next four years. Given this, attention was being focused on what approach the LDP would show in its manifesto and on how it would demonstrate a policy difference. But its manifesto just notes, "The party will raise the consumption tax without delay immediately after the economy turns around." The party thus has substantially sealed off a consumption tax hike until the economy is on a recovery track in accordance with its mid-term program, on which the LDP reached an ambiguous agreement with the New Komeito late last year after heated dispute. The LDP have yet to pave the way for fiscal reconstruction.

LDP lists subsidy-type measures, out of consideration to support bases

Prime Minister Aso visited 24 industrial organizations as of July 29, including the Japan Medial Association, the Japan Pharmaceutical Association, the Japan Real Estate Association, the Construction Industry Association, the Japan Automobile Manufacturers Association, the Federation of Bankers Association of Japan, and the Central Union of Agricultural Cooperatives, without delivering stumping speeches since he dissolved the Lower House on July 21.

In economic and social policies, the LDP and government agencies gave priority to indirect support by distributing subsidies to industrial groups. With this approach, policy goals were effectively attained, but cozy ties were established among government officials, bureaucrats and business leaders. Voices of discontent that the benefits have not reached the people were also heard.

To counter the DPJ, which comes up with "direct support" in its manifesto, such as its proposal for child-care allowance, the LDP offers "direct support," including free education for preschool children. But its consideration to its support bases of the party such as industrial groups, so-called "indirect support," is to be noted in the manifesto.

Late at night on July 28, LDP heavyweights lobbying for the interests of domestic farmers, including former secretary general Koichi Kato and former agriculture, forestry and fisheries minister Yoshio Yatsu, urgently met at party headquarters. Their gathering was aimed to hold a press conference to criticize the DPJ's policy of calling for a free trade agreement (FTA) with the U.S. Yatsu commented:

"(If an agreement is reached,) large volumes of agricultural products will flow into Japan, and domestic farmers will receive a fatal blow. We have already received complaints of the measure from farmers and agricultural groups across the nation."

In its manifesto, the DPJ vows to establish an income indemnity system for individual farming households, whereas the LDP proposes offering subsidies to agricultural cooperatives and other groups as measures to indirectly increase farmers' income.

Some members of the Japan Medial Association, one of the largest support groups of the LDP, have begun to support the DPJ. Alarmed at the situation, the LDP decided to promise to "raise medial service fees next fiscal year." The LDP also decided to use a moderate expression for a measure to have itemized statements of medical

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expenses go online, reflecting strong objections to the measure in hospitals and other medical institutes.

The LDP has also given full consideration to the construction industry. The manifesto notes: "The party will promote road and other infrastructure building in a positive manner." Aso emphasized in a speech at the Japan Civil Engineering Contractors' Association on July 24: "Public works projects have been defined as evil, but there are necessary projects. Disburse government funds is necessary." In response, association chairman Mitsuyoshi Nakamura, president of Kajima Corp., replied: "We will extend our support to the LDP as much as possible." The LDP's stance is in contrast to the DPJ policy of slashing public works projects.

Japan Business Federation (Nippon Keidanren) Chairman Fujio Mitarai has called for introducing the doshusei system (regional bloc system). The DPJ makes no reference to this task in its manifesto, but the LDP pledges to introduce the system by 2017, showing a clear policy difference from the DPJ and its consideration to the business world.

(4) 2009 Lower House election: Interview with Mariko Bando, president of Showa Women's University; A solid system more important than cash handouts

YOMIURI (Page 1) (Excerpts)
July 31, 2009

In the latter half of the 20th century, Liberal Democratic Party (LDP) administrations conducted politics under the Japanese-style regime characterized by a pro-U.S. policy course, light armament, free economy, income distribution, and priority to the elderly. Now in the 21st century, that regime is no longer fully functioning. Although the Koizumi reform drive successfully prolonged the regime's life for five years, the drive did not have the power to tap into fiscal reform to build a new regime.

Wall Street-style capitalism raged through the United States under the Bush administration, and excessive competition and deregulation became problems in Japan, as well. Some regulations should have been left intact, such areas as safety, education, and welfare. Any society has some disparities, but a lack of a solid safety net for a growing number of dispatched (temporary) and non-regular workers was a problem.

The hourly wages of female part-time workers were low because there was a tacit premise that they were working just to help make ends meet, rather than as main breadwinners. Deregulation pushed a large number of young and middle-aged men to join the unemployment ranks of the female part-time workers, exposing the poor working environment surrounding non-regular workers.

In reaction to the Koizumi reform initiative, the LDP implemented a cash handout program, and the major opposition Democratic Party of Japan (DPJ), too, has come up with its manifesto featuring cash handouts, possibly out of rivalry toward the LDP. Creation of a system to provide services that can make childrearing easier is far more important than doling out cash handouts.

Statistics show that a full-time female worker who takes child-care leave makes 200 million yen more in her lifetime than a woman who has a part-time job after becoming a fulltime homemaker after

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leaving a fulltime job for childbirth. It is impossible to cover that amount with cash handouts alone.

I would like to propose the establishment of a childrearing insurance program that forms, along with the existing nursing-care insurance program, a mechanism to have the entire society assist in childrearing. The DPJ is aiming to eliminate bureaucrats from the policymaking process, but their know-how and expertise and private operators' experiences are essential in creating new schemes, such as a child-rearing insurance program.

In employment policy, it is important to strictly restrict unpaid overtime work. Accurate claims for overtime work will require more manpower. Elimination of long hours of white-collar workers will make things easier for female workers.

Many doctors work 36-hour daytime and nighttime shifts with little or no sleep. Both the LDP and the DPJ have mentioned an increase in the number of doctors, but the system itself must be improved in addition to increasing the number of doctors.

It is essential to mull ways to build the kind of society Japan really needs from a long-term perspective rather than taking superficial policy approaches, such as cash handouts, from a short-term viewpoint.

(Interview by Riichiro Maeki, chief of Political Department)

(5) DPJ secretary general says that the notion of refueling operations is not the party's official position

Jiji.com
11:09, July 31, 2009

Referring to Deputy President Ichiro Ozawa's assertion made when he was party head that refueling operations in the Indian Ocean by the Maritime Self-Defense Force (MSDF) troops are unconstitutional, Democratic Party of Japan (DPJ) Secretary General Katsuya Okada during a TBS TV program on July 31 noted, "The notion that such operations are unconstitutional is not shared by fellow party members. There have been various discussions in the party." He thus indicated the perception that the assertion Ichiro Ozawa made when he was party head was not the party's official position.

Okada once again underscored the DPJ's stance of continuing refueling operations even it takes the reins of government. He said, "Letting the MSDF troops to return to Japan when there is a change of administration is a problem from the perspective of the continuity of diplomacy."

(6) METI to question Tohoku University for allowing Iranian student to do research on reprocessing of nuclear fuel

MAINICHI ONLINE (Full)
13:28, July 31, 2009

It has become clear that Tohoku University accepted a student from a research institute in Iran that was on the Ministry of Economy, Trade and Industry's (METI) list of organizations suspected to have been involved in the development of nuclear weapons and that the university allowed the student to do research on the reprocessing of spent nuclear fuel. A METI source said: "In view of the student's

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purpose, the case does not constitute a violation of the Foreign Exchange and Foreign Trade Control Law, but we would like to ask the university about specifics."

In 2002, METI compiled under the Foreign Exchange and Foreign Trade Control Law a list of foreign users that might develop nuclear weapons. At present, the list contains 247 organizations in nine countries, including North Korea and Iran. The METI minister's authorization is required when accepting a student from any organization on the list who will do research that might be used for the development of nuclear weapons. In their briefings and documents, METI and the Ministry of Education, Culture, Sports, and Science and Technology have urged colleges and universities to check whether prospective foreign students are from any institutions on the METI list and their research areas.

According to Tohoku University, the student in question majored in petro-chemistry at a university in Iran and he belonged to Jaber Ibn Hayen Research Laboratories to study the recycling of spent nuclear fuel. He entered Tohoku University in October 2002, studied technologies to extract silver and palladium from nuclear waste solution, but was not involved in the extraction of uranium and plutonium that can be used for nuclear weapons.

The student returned to Iran after obtaining a doctorate degree from the university. The research institute joined the METI list in March 2004, after the student entered the Japanese university. A Tohoku University source explained: "In screening the student before admitting him, we confirmed that the area of his research was not unrelated to the development of nuclear weapons. We believe there was no problem."

(7) Supreme command eyed for GSDF

TOKYO SHIMBUN (Top play) (Full)
July 30, 2009

The Ground Self-Defense Force has finalized its course of action to

go ahead with reorganizational plans. In concrete terms, the GSDF will establish a "Ground Defense Command" (GDC) as a supreme headquarters atop all its troops. In addition, the GSDF will also launch an "International Readiness Command" (IRC) for overseas missions and a "Metropolitan Defense Command" (MDC) for the Tokyo metropolitan area. Along with the establishment of IRC and MDC, the Central Readiness Command (CRC) and the Eastern Army Headquarters, which covers the Kanto and Koshinetsu districts, will be abolished. The GSDF's regional armies will be under a setup of four headquarters. All the GSDF regional armies and their troops will be under the command of GDC.

The GSDF reorganizational plans will be formally adopted in a new version of the National Defense Program Guidelines (NDPG), which will be revised late this year. The GSDF plans to launch the new commands in fiscal 2014 when the Midterm Defense Buildup Plan is to end. This reorganization, if translated into reality, will be on the largest scale ever.

The GDC will grip all GSDF troops as their highest headquarters. Its establishment reminds us of the now-defunct Imperial Japanese Army's general staff that ran wild in the Pacific War. However, the GSDF leadership deemed it indispensable to launch the GDC in order to facilitate the Ground, Maritime, and Air Self-Defense Forces' joint

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operations.

The GDC will be headquartered at the GSDF's Asaka garrison in Tokyo's Nerima. The CRC will move its units to the GDC. These CRC units include the 1st Airborne Brigade, the 1st Helicopter Brigade, and the Special Operations Task Force and will be under the GDC's direct command.

The IRC is an advance team for overseas activities. The Central Readiness Regiment (CRR), which is headquartered at the GSDF's Utsunomiya garrison under the CRC and is currently deployed to Djibouti to back up an antipiracy mission in waters off Somalia, will be the IRC's core unit.

The MDC will cover Tokyo and the two metropolitan prefectures of Kanagawa and Saitama. The 1st Division, headquartered in Tokyo's Nerima under the Eastern Army's command, covers the same area, will be abolished. The 12th Brigade, based in Shinto Village, Gumma Prefecture, will be transferred to the Northeastern Army.

The GSDF currently has five district armies: the Northern Army for Japan's northernmost main island of Hokkaido, the Northeastern Army for the country's northeastern districts, the Eastern Army, the Middle Army (for the Tokai, Hokuriku, Kinki, Chugoku, and Shikoku districts), and the Western Army (for Kyushu and Okinawa). Each of the five district armies has two to four divisions or brigades.

The Maritime Self-Defense Force is unified under the Self-Defense Fleet as its highest headquarters, and the Air Self-Defense Force under the Air Defense Command (ADC). In 2006, the Joint Staff Office started GSDF, MSDF, and ASDF joint operations. However, its orders to the GSDF must be conveyed to five commanding generals. This has prevented the GSDF from prompting its actions.

In July 2008, an advisory panel set up at the prime minister's office to reform the Defense Ministry released a report, which recommended abolishing the GSDF's district armies and establishing the GDC. However, the GSDF underscored the necessity of its district armies and their respective headquarters, only to accept the panel's recommendation to establish the GDC.

(8) Survey of Okinawa candidates for Lower House election on base issues, constitution shows divided views on USFJ realignment, unanimous support for SOFA revision

RYUKYU SHIMPO (Page 2) (Full)
July 31, 2009

2009 Lower House Election Reporting Team

In the second policy questionnaire submitted by Ryukyu Shimpo to 11 Diet members affiliated with political parties or who are prospective candidates in Okinawa's constituencies with considerable political experience, the focus is on U.S. military bases, security policy, and the Constitution. Opinions were divided on U.S. Forces Japan (USFJ) realignment, but all candidates agreed on the need for a "full revision" of the Japan-U.S. Status of Forces Agreement (SOFA). With regard to the Constitution, while there was more support for revising the Constitution than preserving it, the respondents were divided on how to handle Article 9, which is the most controversial issue in the constitutional debate, with six favoring a "review," and five opting for "preserving" the

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provision.

First District: Three-way division on dispatching the SDF overseas

With regard to a review of the SOFA, three prospective candidates agreed that this is an unequal treaty and needs to be "revised fully." Konosuke Kokuba was positive about USFJ realignment, while Mikio Shimoji and Hisako Hokama were negative, reflecting different assessments between the ruling and opposition parties. On overseas dispatches for the Self-Defense Forces (SDF), Shimoji favored handling this with "special measures laws" for the sake of fulfilling international contributions; Kokuba favored legislating a "permanent law;" while Hokama opposed any such missions as a "violation of the Constitution."

On the question of the relocation of the U.S. forces' Futenma Air Station, Shimoji proposed "considering new plans, including relocation within Okinawa, outside Okinawa, and outside Japan." He pointed out the existing risks in border defense and said that he will "respect the local community's views in handling the deployment of SDF in the Sakishima Islands." On the question of constitutional revision, he stressed the need for "additional provisions or revision of certain provisions to adapt to the times," such as provisions on environmental and educational rights.

Kokuba gave a positive appraisal of USFJ realignment and noted that "the government has made the best possible negotiation with the U.S. at this point in time." He said that he will demand full revision of SOFA to "solve the problem of transfer of custody of USFJ suspects in crimes before indictment." He asserted that "it is commonly accepted in the world that the constitution should be amended as warranted" in response to changes in values, including thinking on human rights.

Hokama pointed out that the USFJ realignment process "is being implemented in a way that will reinforce the U.S. military bases." With regard to SDF deployment in the Sakishima Islands, she cited the case of the town of Yonaguni and claimed that "tourism and Japan-China friendship will be ruined." On the subject of constitutional revision, she asserted that the purpose of the proposals for revision is to revise Article 9, and "Article 9 is an important world asset," stressing her support for preserving the Constitution.

Second District: Clash on right of collective self-defense

The relocation of bases, the use of returned land, and related issues constitute the main point of contention in the Second District, which hosts large U.S. military bases. Kantoku Teruya was critical of USFJ realignment, saying: "The construction of a new facility in Henoko, the return of Futenma Air Station, and the relocation of Marines to Guam are treated as one package," while Osamu Ashitomi contradicted him, expressing support for USFJ realignment and asserting that: "This was the result of a difficult decision made by Japan, the United States, and Okinawa Prefecture. There is no more feasible plan than this." The two agreed, however, on "full revision" of the SOFA.

Teruya pointed out that SDF deployment in the Sakishima Islands "will only give rise to tension with the neighboring countries." He also opposed SDF overseas missions on the ground that "emphasis should be placed on conflict prevention, such as by reinforcing

efforts to deal with poverty." He was against the revision of the Constitution as well, arguing that "(the addition of new rights) can be fully handled by realizing the ideals of the present constitution." He called for preserving Article 9 because "if the right of collective self-defense becomes constitutional, Japan will become a country that can go to war."

Ashitomi asked that the stationing of the SDF in the Sakishima Islands be considered because "the local residents' wishes should be respected." With regard to overseas missions, he said that: "Responsiveness to the international situation is necessary. A permanent, regular law should be enacted." He favored the revision of the constitution in order to "include new rights, such as environmental rights." He wanted to see a review of Section 2 of Article 9 since "it is necessary to define the right of self-defense and the maintenance of a defense capability."

Third District: Divided on relocation

The relocation of the Futenma Air Station to Henoko in Nago City is the main point of contention in the Third District. The prospective candidates clashed fiercely on their assessment of USFJ realignment, including Futenma relocation.

Chiken Kakazu looked at this positively because the steady implementation of the realignment plans will lead to the relocation of some 8,000 marines and the return of military bases south of Kadena, thus reducing the burden on Okinawa. Toru Odo also favored the early closure of Futenma, claiming the realignment process is "in line with the Okinawan people's desire for the consolidation and reduction of bases." Meanwhile, Deni Tamaki voiced his criticism that the "return of bases in a package is pointless; it was a decision made over the head (of the Okinawan people)." He stressed the need to create a consultative body to hear out the opinion of the local community. Shusei Arakawa said that "it is incomprehensible that tax money is being used for the relocation." He advocated moving Futenma to Guam, where a replacement facility can be located.

All four prospective candidates agreed on the need for a full revision of SOFA, but they were apart in their position on constitutional revision.

Kakazu asserted that a permanent law is necessary for SDF overseas missions and Article 9 Section 2 of the Constitution "should be revised to a provision capable of responding to the international situation appropriately."

Tamaki said "careful discussion is needed" for the stationing of the SDF in the Sakishima Islands, and as for overseas missions, he set the condition that "only the dispatch of civilians based on UN resolutions should be allowed."

Arakawa claimed that "there is no need to revise the Constitution," emphasizing his position of preserving the Constitution. He also came out clearly against SDF deployment in the Sakishima Islands and SDF overseas operations.

Odo favored the revision of Article 9 because "a policy on collective security is necessary." He opted for overseas missions under special measures laws since the "consensus among the people is insufficient."

Fourth District: Conflict over SDF deployment in the Sakishima Islands

The question of stationing SDF in the Sakishima Islands has surfaced in the Fourth District. Kozaburo Nishime favored SDF deployment for border security "in order to secure the exclusive economic zone (EEZ), the sea lane, and marine resources and defend the national

territory." Chobin Zukeran claimed that the economic development of the remote islands should be achieved through building up agriculture and the local industries. He opposed SDF deployment firmly because "(Japan) should persist in pacifist diplomacy."

Nishime looked at USFJ realignment positively because "implementing (realignment) based on the agreement between Japan and the U.S. will lead to the reduction of the burden imposed by the bases." He said that the SDF's overseas missions "are an important contribution to international peace," stressing the need for a permanent law. "Problems are difficult to resolve through improvement of operations" of SOFA, so he favored a full revision. He also stressed the need to revise the Constitution, including Article 9, "to clarify the role of the SDF and the division of labor between the two houses of the Diet."

On the other hand, Zukeran disagreed with USFJ realignment because "its purpose is not to reduce the burden imposed by the bases." He opposed SDF overseas missions because they "violate Article 9 of the Constitution." SOFA "is unequal and Okinawa's position has not been taken into account," so he called for a full revision. He also said that Article 9 of the Constitution "should be publicized all over the world," while other provisions "need to be discussed."

(9) State-managed 22 airports in the red, with only four in the black, according to Transport Ministry's survey

ASAHI (Page 1) (Slightly abridged)
July 31, 2009

Out of the 26 state-managed airports across the nation, 22 or about 80 PERCENT have been operating in the red, according to calculations by the Ministry of Land, Infrastructure, Transport, & Tourism. This is the first time for the ministry to survey the books of each airport. The results, which will be released today, show that most airports are far from being in a state of running on a stand-alone basis.

Critics pointed out the non-transparency of each state-controlled airport's accounts, because of the package recording of their business accounts in the special account for infrastructure construction projects. Given this, the government promised in its annual economic and fiscal policy guidelines for 2008 to produce each airport's financial report.

According to a calculation by the Transport Ministry in a way similar to corporate accounting, 22 airports were found to be running at a loss on an operating accounting basis (fiscal 2006).

Fukuoka Airport showed the largest deficit of 6.7 billion yen, followed by Naha with 5.4 billion yen, Niigata with 2.3 billion yen, and Haneda with 2 billion yen. The large deficits of Fukuoka and Naha are attributed mainly to high rents. Niigata airport's expenditures were four times larger than its revenues. In the case

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of Haneda, construction work related to the expansion of the runways was costly. All airports in Hokkaido except for Shin-Chitose airport and Kitakyushu airport also showed a deficit.

Osaka (Itami), Shin-Chitose, Kagoshima, and Kumamoto posted a surplus of 4.3 billion yen, 1.6 billion yen, 200 million yen, and 200 million yen, respectively.

In calculating on a recurrent accounting basis, 10 of the 22 loss-making airports go into the black.

Narita, Kansai and Chubu airports, which are controlled by corporations, were not covered by the ministry's investigation. As for 69 airports controlled by local governments, the ministry will call on the governments to calculate the accounts of the airports they control and disclose the accounts. Many of these airports are located in areas with a smaller population, so the number of loss-making airports is expected to increase.

More local airports have been built, but the number of passengers

for domestic lines has been on the decrease. Under this situation, there are cases in which airlines withdrew from unprofitable courses. No discussions have been conducted on airports' financial conditions so far. Set off the revelation by the ministry of the actual state of many airports dependent on tax money, thorough discussion is likely to be conducted on future options for airport improvement from now.

(10) Remove Obama's mask, by Kazuyuki Hamada
Book review by Gyo Tsutsumi, chief editor of Bungeishunju

WILL (Full) (Page 144-145)
September 2009

U.S. President Barack Obama is called "the One" or the "Black Kennedy." This book, which discloses the real image of President Obama, is really worth reading. Obama has said, "Greedy Wall Street brokers brought about the present economic crisis," but his financial supporters and connections could appropriately be called "Wall Street representatives." For his presidential campaign, he reportedly collected a huge number of small donations averaging 25 dollars a person, but the reality is that much of his funding came large contributors on Wall Street.

As much as 42.5 million dollars were donated by only ten hedge funds. Since prominent stock investors, including George Soros, bet huge money on him winning, Obama was able to financially overwhelm the other candidates Hillary Clinton and then John McCain.

Robert Rubin and Lawrence Summers, both former treasury secretaries, are now members of the Obama administration's economic team. These two deserve a great deal of the blame for the current situation for they are the very ones who let greedy Wall Street brokers do as they please.

Learning from the Great Depression in 1929, Congress passed the Glass-Steagall Act of 1933 that established the Federal Deposit Insurance Corporation (FDIC) and included banking reforms, some of which were designed to control speculation. The law made a sharp distinction between the banking business and the selling of securities. Rubin and Summers abolished that law and replaced it with the Gramm-Leach Bliley Act, also known as the Financial

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Services Modernization Act. The legislation broke down the barrier between the banking and securities markets. In addition, they abolished the government's authority to manage and supervise hedge funds.

Both of them served as secretary of the treasury in the Clinton administration. After serving in the government, Rubin became an executive of Citicorp Group and Summers, D.E. Shaw & Co. executive. They received huge salaries.

Their monetary easing policy created the environment for rampant spreading of shady financial products that led to the current global economic recession launched in the United States. They are now members of the Obama administration. One of their followers, Timothy Geithner, now serves as secretary of the treasury.

Moreover, White House Chief of Staff Rahm Emanuel, who used to work for a hedge fund, had a salary of nearly 20 million dollars a year. In short, the Obama administration is composed of a "financial mafia," and it has injected public funds into financial institutions mainly to rescue a bankrupt Wall Street. Brokers are grateful to the Obama administration for purchasing tainted assets. Economist Robert Reich has said: "(The Obama administration) is helping the rich on Wall Street become richer."

Obama has a villa worth nine million dollars in Hawaii. Asked from where the money came, he just said: "I made money on the stock market."

At present, Obama's birth origin is in question. He describes himself as a native of Hawaii, but that is suspicious. The law stipulates: 1) only a person born in the United States or a person

of parents having American citizenship can become a U.S. president; 2) a parent with U.S. citizenship must live at least ten years in America; and 3) of that ten years, the parent must live in the U.S. for five years after she or he passed their 16th birthday.

Obama was born when his mother was 18. There is a possibility that Obama was not qualified to run for the presidency. Some of his relatives say he was born in Kenya. The government of the state of Hawaii has refused to issue his birth certificate. Obama's attorney threatens anyone who tries to pursue the allegation.

The more you read the book the more your image of Obama will change. You will see him as all mouth. The book is a must-read for those hints as to what Obama will do regarding Japan.

ZUMWALT